



Headquarters Policy Flash

FLASH 2003-31

DATE: December 4, 2003
TO: Procurement Directors
FROM: Office of Procurement and Assistance Policy, ME-61
Office of Procurement and Assistance Management

SUBJECT: **Federal Acquisition Circular (FAC) 2001-16 Final, Interim Rules and Final CCR Implementation**

SUMMARY: This Policy Flash transmits summary information on FAC 2001-16 published in the Federal Register at 68 FR 56668 on October 1, 2003. The rulemaking implements an interim rule and a number of final rules associate with various FAR Cases, which appropriately amend the FAR. Contracting personnel should review the details of this rulemaking in full text.

FLASH 2003-31
December 4, 2003

Federal Acquisition Circular (FAC) 2001-16

The following nine items are in FAC 2003-16, which was published in the Federal Register on October 1, 2003, at 68 FR 56668. Items 1, 2, 3, 4, and 9 were effective October 1, 2003, and items 5, 6, 7, and 8 are effective October 31, 2003. The FAC is available via the internet at <http://www.arnet.gov/far/facsframe.html>

Effective Date: October 1, 2003 (Items 1, 2, 3, and 4)

Applicability Date: This final rule applies to contracts, basic agreements, basic ordering agreements, blanket purchase agreements, or modifications awarded on or after October 1, 2003. Existing contracts, basic agreements, basic ordering agreements, or blanket purchase agreements with a period of performance beyond December 31, 2003, are also covered by this final rule and must be modified pursuant to FAR 4.1103.

1. Central Contractor Registration (FAR Case 2002-018)

This final rule amends FAR parts 1, Federal Acquisition Regulation System, 2, Definition of Words and Terms, 4, Administrative Matters, 13, Simplified Acquisition Procedures, 32, Contract Financing and 52, Solicitation and Contract Clauses. This rule-

- Requires contractors to register in the Central Contractor Registration (CCR) database prior to the award of any contract, basic agreement, basic ordering agreement, blanket purchase agreement on or after October 1, 2003 (See Policy Flashes 2003-05, 2003-12, and 2003-27); and
- Directs contracting officers to modify existing contracts whose period of performance extends beyond December 31, 2003;
- Requires those contractors to register in the CCR database by December 31, 2003.

Note: DOE contractor registration in the CCR is not optional; the CCR data are not narrowly intended for use relating to a specific business process, such as contractor payment. As discussed in previous Policy Flashes, the CCR is a centrally located searchable database developed to maintain and provide sources for future procurements, identify possible subcontracting opportunities, and among other things, provide an electronic linkage to financial management processes. The CCR data is the most up to date and complete data available from a single validated source on contractors doing business with the Government. CCR transmits and validates data utilizing a number of other acquisition related systems, FPDS-NG,

FLASH 2003-31
December 4, 2003

On-line Representations and Certifications, eSubcontracting, Reporting System, etc., which effect DOE reporting, recordkeeping and other compliance requirements. These transactions, and others, cause CCR registration to serve as a genesis for Governmentwide electronic acquisition business processes, which effect contractor and government operations.

Guidance:

- 1) All DOE contracting personnel are required to comply with FAR provisions and clauses regarding Central Contractor Registration (CCR) as provided in the Federal Acquisition Circular 2001-16, except-
 - When DEAR 970.32, Contract Financing, provisions and clauses are applicable to the type of procurement considered for use, the payment clause prescribed in FAR 32.1110 should not be inserted in the solicitation or contract.
 - When DEAR 970.32 provisions and clauses are determined applicable to a particular procurement, FAR 52.204-7, Central Contractor Registration, shall continue to be utilized in conjunction other DEAR provisions and clauses.

Notwithstanding, Part 4, Administrative Matters, is applicable in all procurements unless otherwise identified in regulation. Consistent with DEAR 970.5200, the provision and clauses contained in DEAR 970 supplement the provisions and clauses prescribed in the FAR and in other parts of the DEAR (48CFR 901 through 48 CFR 952), and, pursuant to the individual provision or clause prescription, are to be used in addition to, or in place of, such clauses.

- 2) When modifying existing contracts a unilateral modification shall be issued. The contractor is required to enter its "DUNS" or "DUNS + 4" on the SF-30, Amendment of Solicitation/Modification of Contract, and return a copy of the SF-30 (See 52.204-7, Alt. I).

2. Electronic Commerce in Federal Procurement (FAR Case 1997-304)

This rule-

- finalizes the interim rule that designated Federal Business Opportunities (FedBizOpps) as the Governmentwide Point of Entry (GPE);
- Makes the GPE the exclusive official source for public access to notices of procurement actions over \$25,000;

FLASH 2003-31
December 4, 2003

- Eliminates the preference for electronic commerce within Federal agencies to be conducted on the Federal Acquisition Computer Network (FACNET) computer architecture;
- Allows solicitation notices to be published solely using the single designated GPE which may be accessed via the internet at <http://www.fedbizopps.gov> ;
- Requires electronic access to notices of solicitation through the single GPE as a replacement for paper (or electronic) publication in the CBD.

3. Unique Contract and Order Identifier Numbers (FAR Case 2002-025)

This interim rule amends the FAR to require each reporting agency to assign a unique procurement instrument identifier (PIID) for every-

- Contract;
- Purchase Order;
- Basic Ordering Agreement;
- Basic Agreement; and
- Blanket Purchase Agreement reported to the Federal Procurement Data System (FPDS).

In addition, have in place, no later that October 1, 2003 when the next generation of FPDS becomes operational, a process that will ensure that each PIID reported to FPDS is unique, Governmentwide, and will remain so for at least 20 years from the date of contract award.

4. Procurements for Defense Against or Recovery From Terrorism or Nuclear, Biological, Chemical or Radiological Attack, and Temporary Emergency Procurement Authority (FAR Cases 2002-026 and 2002-003)

This rule finalizes two interim rules implementing FAR Cases 2002-026 and 2002-003, which increases the amount of the micro-purchase threshold and the simplified acquisition threshold and expands access to streamlined procedures for procurements of supplies or services by or for an executive agency that are to be used to facilitate defense against or recovery from terrorism or nuclear, biological, chemical, or radiological attack (See Policy Flash 2002-30).

Also, included in this final rule is an amendment to the FAR adding a technique for conducting market research by querying commercial databases that provide information relevant to the an agency acquisition.

FLASH 2003-31
December 4, 2003

Effective Date: October 31, 2003(Items 5, 6, 7 and 8)

5. Notification of Overpayment Contract Financing Payments (FAR Case 2001-005)

The final rule amends FAR Part 12, Acquisition of Commercial items, Part 32 Contract Financing, and Part 52, Solicitation Provisions and Contract Clauses to require the contractor to notify the contracting officer if the Government overpays when making an invoice payment or a contract financing payment under either a commercial item or a noncommercial item contract.

6. Caribbean Basin Country-Dominican Republic (FAR Case 2003-006)

This final rule amends FAR Part 25 Foreign Acquisition, and Part 52 Solicitation Provisions and Contract Clauses to reinstate the treatment of the products of the Dominican Republic as eligible products under acquisitions subject to the Trade Agreements Act, as directed by the U.S. Trade Representative.

7. Prohibited Sources (FAR 2001-015)

The final rule removes Serbia, the Taliban-controlled regions of Afghanistan, and Iraq from the list of prohibited sources and directs the contracting officer to lists of entities and individuals subject to economic sanctions. The lists are available at <http://www.epls.gov/TerList1.html> . This rule amends the FAR to implement recent Executive orders and to reflect the regulations of the Department of the Treasury's Office of Foreign Assets Control.

8. Economic Planning, Employee Morale, and Travel Costs Principles (FAR Case 2002-001)

This final rule amends the FAR to revise three cost principles: (1) FAR 31.205-12, Economic planning costs; (2) FAR 31.205-13, Employee morale, health, welfare, food service, and dormitory costs and credits; and (3) FAR 31.205-46, Travel costs. These changes restructure the paragraphs and remove unnecessary and duplicative language to increase clarity and readability.

FLASH 2003-31
December 4, 2003

9. Technical Amendments

This final rule amends the FAR to update references and make editorial changes at FAR 8.404(b)(6) and 24.202(a).

Please address your comments and any questions relating to this Flash, to Denise P. Wright on (202) 586-6217 or via e-mail at Denise.Wright@hq.doe.gov



Douglas L. Baptist, Acting Director
Office of Procurement and
Assistance Policy

Attachment
cc: PPAG Members